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6 **IN THE UNITED STATES DISTRICT COURT**  
7 **FOR THE DISTRICT OF ARIZONA**  
8

9 Shawn Jensen, et al.,

10 Plaintiffs,

11 v.

12 Ryan Thornell, et al.,

13 Defendants.  
14

No. CV-12-00601-PHX-ROS

**ORDER**

15 **I. Appointment of the Receiver**

16 On February 19, 2026, this Court granted Plaintiffs' Motion for a Receiver finding  
17 the appointment of a Receiver to assume control of the delivery of health care services to  
18 the class of prisoners in the custody of the Arizona Department of Corrections,  
19 Rehabilitation, and Reentry (ADCRR) was required to conclusively eliminate the  
20 constitutional violations within ADCRR of health care pertaining to the class members.<sup>1</sup>  
21 (Doc. 5123.)

22 Both parties proposed the appointment of Ms. Annette Chambers-Smith. The Court  
23 conducted an interview and requested the Parties and the Monitors to conduct due diligence  
24 regarding the appointment. The interview and due diligence are complete. (*See* Docs. 5218;  
25 5256, 5260.) Accordingly, the Court will appoint Ms. Annette Chambers-Smith as the  
26 Receiver.

27 Defendants have represented they intend to appeal the appointment of the Receiver.

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<sup>1</sup> References to health care include only medical and mental health care.

1 *See Jensen v. Thornell*, CV 26-1746, Dkt 9.1 (9th Cir. May 21, 2026) (“Defendants-  
 2 Appellants . . . anticipate appealing from a[n] . . . order . . . appointing a receiver and  
 3 defining the receiver’s powers and duties.”). It appears Defendants also intend to seek a  
 4 stay of the appointment pending appeal. The Court will delay the effective date of the  
 5 Receiver’s appointment pending resolution of a motion to stay if filed. If Defendants opt  
 6 not to seek a stay, Defendants shall file that notice within five days of the date of this Order.

7 The Court ordered the parties to address “the proposed duties, powers, and  
 8 authorities of the Receiver, [including] how each proposal will extend as far as[,] but no  
 9 further than[,] necessary to correct Defendants’ constitutional violations.” (Doc. 5123 at  
 10 83.) The Court has evaluated the recommendations of the parties, and resolved what  
 11 authorities, responsibilities, and duties are essential for the Receiver to accomplish the  
 12 objectives of this Receivership. They are narrowly drawn and extend no further than  
 13 necessary to remedy the ongoing constitutional violations and are the least intrusive means  
 14 to correct the ongoing constitutional violations. *See* 18 U.S.C. § 3626(a)(1)(A).

## 15 **II. Authority, Duties, and Responsibilities of the Receiver**

16 During this multi-year, interminable litigation, the Court has identified entrenched  
 17 systemic failures in Defendants’ administration of health care to the Plaintiff class,  
 18 “including (1) chronic understaffing and failure to enforce contractual provisions with the  
 19 third-party vendor, (2) the persistence of nurse driven care and inappropriate assignment  
 20 of complex patients to advanced practice practitioners instead of physicians, (3) failures in  
 21 the referrals process, (4) data collection and reporting failures, and (5) inadequate  
 22 resources, including funding and facilities.” (Doc. 5218 at 2-3.) Accordingly, the Court  
 23 found that only a Receiver with the powers and authority necessary to address each of the  
 24 systemic failures would adequately remedy the failure of health care. (*Id.*)

25 The Receiver’s authority, duties, and responsibilities to administer and manage  
 26 ADCRR’s health care system to ensure constitutional health care for the class members are  
 27 what follows.

### 28 **a. Leadership and Management**

1           The Receiver shall provide leadership and management of the health care system  
2 including overseeing, supervising, and directing all ADCRR employees and contract  
3 personnel who perform administrative, financial, accounting, contractual, legal, and other  
4 operational functions required to ensure constitutional health care is provided to class  
5 members. In exercising these responsibilities, the Receiver may consult with the Director  
6 of ADCRR, and all relevant and knowledgeable ADCRR employees and contract  
7 personnel.

8           **b. Development and Implementation of Operational Plan**

9           1. Within 180 days of the effective date of the Receiver's appointment, the  
10 Receiver shall prepare and file the "Receiver's Operational Plan" (the "Plan") designed to  
11 remediate ADCRR's unconstitutional health care identified in all of the Court's Orders,  
12 and address the constitutional violations identified in the June 30, 2022 Order and Findings  
13 of Fact and Conclusions of Law (Doc. 4435). The Plan shall consider the compliance  
14 criteria set forth in the April 7, 2023 Order and Permanent Injunction (Doc. 4410), the  
15 March 31, 2025 ADCRR Health Care Staffing Analysis and Plan (Doc. 4963), the February  
16 19, 2026 Order granting this Receivership (Doc. 5123), and the May 15, 2026 SNU and  
17 IPC Health Care Staffing Analysis and Plan (Doc. 5230).

18           2. The Plan shall address the findings of the Court Monitors and include a  
19 proposed schedule for completion and resolution of all identified solutions and remedies  
20 with measurements and gauges by which to periodically evaluate ADCRR's progress and  
21 success. Throughout the Receivership, the Receiver shall report ADCRR's benchmarks  
22 and milestones and modify the Plan as deemed essential and required by the Receiver and  
23 the Court to achieve the objectives.

24           3. Pending the final draft and implementation of the Plan, the Receiver shall  
25 initially implement short-term measures essential for immediately improving critical health  
26 care issues and begin the process of restructuring, developing, and implementing the  
27 constitutionally adequate health care system.

28           **c. Budgeting and Accounting**

1 On an annual basis, the Receiver shall establish the budget required for all  
2 ADCRR health care for the class members. The Receiver shall engage in essential efforts  
3 to secure adequate funding in consultation with Plaintiffs and Defendants, the Governor,  
4 and the Legislature, including their designated representatives. Consistent with the  
5 reporting requirements of II.d.ii below, the Receiver shall establish a calendar for  
6 periodically reporting to the Court the status of the ADCRR health care budget, including  
7 recommendations, and shall take all necessary steps to ensure transparency and  
8 accountability of budget information.

9 **d. Reporting**

10 **i. Permanent Injunction Audits**

11 Monthly audits of all Permanent Injunction requirements are not required  
12 of the Receiver. Rather, the frequency of such audits shall be determined by the Receiver  
13 with Court approval and based upon an assessment of (1) the significance of each  
14 requirement, (2) the time, resource, and costs of monitoring each requirement, and (3) the  
15 history of performance or failure of performance for each requirement. While no single  
16 factor dominates, the third factor is paramount.

17 **ii. Reports to the Court**

18 The Receiver shall file annual reports with a detailed analysis of the  
19 progress of ADCRR in resolving the unconstitutional health care of the class and achieving  
20 the requirements of the Plan. And as deemed necessary by the Receiver or the Court, the  
21 Receiver shall file additional reports with the Court. These reports shall include (a) the  
22 successes and failures achieved in implementing the Plan, including anticipated dates for  
23 completion of each requirement of the Plan, (b) the obstacles or impediments to  
24 implementing the Plan, and identifying any issue that has interfered with compliance,  
25 including but not limited to pinpointing individuals, agencies, or entities responsible for  
26 impeding compliance, (c) identification of the required expenditures, with detailed  
27 explanations, and (d) all other issues required to allow the Court's analysis, review and  
28 approval of the progress made regarding the Plan. The Receiver shall meet with the Court

1 following the issuance of each report and shall maintain direct communication with the  
2 Court throughout the Receivership.

### 3 **III. Powers and Authorities of the Receiver**

#### 4 **a. General Powers**

5 1. All duties and authorities vested by law in the Director of ADCRR relating to  
6 the health care of the class members as set forth in A.R.S. § 41-1604 and A.R.S. § 31-  
7 201.01 and other governing laws and regulations shall be vested in the Receiver. The  
8 Receiver's authority, actions, and decisions shall be subject to review of the Court.

9 2. All duties and authorities of the Director of ADCRR relating to the health care  
10 of the class members are enjoined for the duration of the Receivership. Upon termination  
11 of the Receivership, those duties and authorities shall be restored to the State and the  
12 Director. However, the Director is authorized to confer with the Receiver where the  
13 Receiver determines assistance would be advantageous to fulfilling her responsibilities.

#### 14 **b. Dental Care**

15 The Receivership applies to medical and mental health care. However, a clear  
16 boundary distinguishing dental care from health care is often not possible in the prison  
17 context, particularly regarding contracts outsourcing health care. When this occurs, the  
18 Receiver and Director of ADCRR shall engage in efforts to collaborate to resolve the  
19 ambiguous dental issues that constitute health care. If the Receiver and the Director are  
20 unable to resolve such issues, they shall jointly advise the Court in writing with notice to  
21 Plaintiffs and Defendants, and the Court will determine the appropriate and best resolution.

#### 22 **c. Specific Authorities**

23 Without diminishing the Receiver's broad authority set forth in paragraph III.a  
24 above, the Receiver shall have the specific authority to exercise the functions that follow,  
25 as deemed necessary to fulfill the Receiver's responsibilities and objectives under the Plan.

#### 26 **i. Personnel**

27 1. The Receiver shall have the authority to hire, fire, suspend, supervise,  
28 promote, transfer, discipline, and establish compensation for all ADCRR employees and

1 contract staff who perform services related to the health care of class members. This  
 2 includes implementing additional personnel policies and creating, abolishing, or  
 3 transferring positions related to the health care of class members. *See* A.R.S. § 41-  
 4 1604(A)(2),(B)(2)(a-d).

5 2. The authority includes utilizing all employees presently working within,  
 6 or assigned to, ADCRR Health Services Division, and these employees shall remain in  
 7 their positions within the Health Services Division as the Receiver determines they are  
 8 essential for ensuring the constitutional health care of the class. This includes data  
 9 collection, contract oversight, and coordination of health care to class members.

10 3. The Receiver shall have the authority to issue instructions to ADCRR  
 11 employees and contract staff who perform services relevant to the delivery of health care  
 12 to class members. Custody employees and staff are excluded from the Receiver's authority  
 13 unless determined essential to the provision of adequate health care and administration of  
 14 the Plan. The Receiver shall consult with the Director of ADCRR before finding custody  
 15 employees and contract staff are within the Receiver's authority over health care for the  
 16 class and the Plan. If the Receiver and the Director disagree, the Receiver shall seek  
 17 resolution by the Court.<sup>2</sup> In resolving the issue, the Court will consider input from both  
 18 Plaintiffs and Defendants and will determine the least intrusive and least disruptive means  
 19 of providing adequate constitutional health care.

## 20 **ii. Policies and Procedures**

21 1. The Receiver shall formulate additional essential ADCRR policies and  
 22 Department Orders, procedures, protocols, systems, and practices in accordance with the  
 23 Plan as relevant to the health care of class members and necessary to establish and ensure  
 24 adequate constitutional health care. *See* A.R.S. § 41-1604. As mandated by law, the  
 25 Receiver shall "be responsible for the overall operations and policies of the department"

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 27 <sup>2</sup> It is contemplated the Receiver may supervise custody staff if, for example, the staff  
 28 provide on-site escort and off-site transportation to and from health care activities. Past  
 barriers to provision of health care regarding on-site escort and off-site transportation by  
 custody staff have been identified by the Monitors and the Court. (Doc. 4968 at 27.)

1 related to the health care of class members, A.R.S. § 41-1604(A)(1), and “responsible for  
2 the development of policies and programs that shall be recommended to the Governor and  
3 the Legislature.” A.R.S. § 41-1604(A)(5). The Receiver may “adopt rules to implement the  
4 purposes of the department and the duties and powers” of the Receiver. A.R.S. § 41-  
5 1604(B)(1).

6 2. The Receiver shall not be responsible for maintaining security at  
7 ADCRR. However, the Receiver shall formulate and implement procedures to provide the  
8 necessary and adequate security and control of prisoners that pertains to implementation of  
9 the Plan and that are required to maintain the health and safety of the class members.

### 10 **iii. Budgeting**

11 The Receiver shall be responsible for formulating and establishing the  
12 annual ADCRR health care budget that ensures the provision of constitutional health care  
13 to class members and shall have all authority vested by law in the Director of ADCRR  
14 relating to the financing of the prison health care system.

### 15 **iv. Contracts**

16 1. The Receiver shall have the authority as vested in the Director of  
17 ADCRR of all ADCRR’s health care vendors. This includes the authority to negotiate,  
18 enforce, terminate, or renegotiate contracts related to the health care of class members in  
19 accordance with law and as necessary to achieve the objectives and requirements of the  
20 Plan, the provisions of the Permanent Injunction, and all other relevant Orders. *See* A.R.S.  
21 § 31-201.01(D) (The Director “shall provide medical and health services for the prisoners”  
22 and “may contract for professional services to assist the Director in carrying out this  
23 responsibility.”).

24 2. The Receiver shall provide the Director of ADCRR and the Department  
25 of Administration with 30 days’ notice before the Receiver implements an amendment to  
26 an existing contract or approves a new contract that may impact indemnification or  
27 insurance requirements. In an emergency, the Receiver shall provide the Director and the  
28 Department of Administration reasonable notice of not less than five days, before

1 implementing such action regarding contracts.

2 **v. Property, Equipment, and Tangible Goods**

3 The Receiver shall have the authority to manage, acquire, dispose of,  
4 increase, modernize, repair, and lease property, equipment, and other tangible goods  
5 relevant to the delivery of health care to class members. Upon request of the Receiver,  
6 ADCRR is required to assist in rectifying all issues relevant to property management,  
7 including installation and operation of such property. The Receiver shall work with  
8 ADCRR to ensure the allocation of sufficient space for class members to receive clinically  
9 appropriate health care and for health care staff to perform services related to the health  
10 care of class members. *See* A.R.S. § 41-1604(A)(2).

11 **IV. Office of the Receiver**

12 **a. Compensation**

13 The Receiver shall be compensated a salary of \$500,000 annually.<sup>3</sup> The Receiver  
14 may seek the reasonable cost of living adjustments each year, and if the Receiver is granted  
15 increases, the Court will apply the Administrative Office of the United States Court's  
16 policy and Cost of Living Adjustments as the reference to determine the reasonableness of  
17 a request. If the Receiver is removed or resigns during the year, the amount of the salary  
18 will be prorated to the portion of the year completed prior to the end of the Receiver's  
19 contract for that year. If the Receiver does not reside in or near the Receiver's Office, she

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21 <sup>3</sup> "It is settled . . . that a federal court appointing a receiver 'has full power to fix the  
22 compensation of such receiver.'" *Coleman v. Newsom*, 2:90-CV-0520 KJM SCR P, 2025  
23 WL 1163350, at \*3 (E.D. Cal. Apr. 22, 2025) (quoting *Drilling Exploration Corp. v.*  
24 *Webster*, 69 F.2d 416, 418 (9th Cir. 1934)); "A receiver's compensation must be  
25 'reasonable.'" *Id.* "The court considers several factors in determining the receiver's  
26 compensation, including the benefits obtained by the receiver's work, the time and skills  
27 needed for 'proper performance' of the duties imposed 'and their fair value, measured by  
28 the common business standards; and the degree of activity, integrity, and dispatch with  
which the work of the receivership is conducted.'" *Id.* (quoting *Walton N. Moore Dry  
Goods Co. v. Lieurance*, 38 F.2d 186, 192 (9th Cir. 1930)). The Court has considered the  
salaries in other cases, the "great, if not incalculable" benefits to be derived from the  
Receiver's work, that the Receiver will not receive benefits, and the complexity of the task  
required of the Receiver. Thus, the Court finds the salary to be reasonable.

1 will be personally responsible for the costs of lodging in or near the Receiver's Office as  
2 well as travel to and from her permanent residence.

3 **b. Office and Staffing**

4 1. The Receiver shall establish the Office of the Receiver and shall have the  
5 authority to hire staff and consultants for discharging the duties and mandates of the Plan  
6 and this Order. The Receiver shall establish, with approval of the Court, reasonable  
7 compensation and terms of service for each member of the Receiver's staff. And the  
8 Receiver is authorized to enter into contracts with staff and consultants.

9 2. In order to facilitate the Receiver's duties and authorities, ADCRR and the  
10 Department of Administration shall work with the Receiver to obtain sufficient office space  
11 within ADCRR's operations center/headquarters, technological infrastructure, and  
12 Information Technology programming and software support. Sufficiency and suitability  
13 will be determined by square footage, location, and unity, *i.e.* space is deemed sufficiently  
14 suitable if the square footage, proximity to key ADCRR operations, and ability to maintain  
15 a physically unified operative space, ensure adequate performance of the Receiver's  
16 responsibilities pursuant to the Plan.

17 **c. Financial Operations and Reporting**

18 1. Within 30 days of appointment, the Receiver shall create an interest-bearing  
19 account, with the Receiver as the signatory and fiduciary. The Receiver may appoint a  
20 qualified person to perform this function when necessary. This account shall be designated  
21 the "Receiver's Office Fund Account" and shall be maintained solely for the reasonable  
22 and necessary expenses incurred and related to the functions and responsibilities of the  
23 Office of the Receiver, including, but not limited to, salaries, consulting fees, supplies,  
24 equipment, office space, transportation, and travel. The Receiver shall, jointly with  
25 Defendants, create a system for regular replenishment of the Receiver's Office Fund  
26 Account.

27 2. Within 60 days of appointment, the Receiver shall establish a budget for the  
28 Office of the Receiver for the first year of operation and shall propose a budget for each

1 subsequent year of operation, which will be due 90 days prior to the budget year.  
2 Throughout the Receivership, the Receiver shall include in each report required by this  
3 Order an accounting of all receipts and expenditures including the Receiver's Office Fund  
4 Account, and shall initiate an independent financial audit of the Receiver's Office Fund  
5 Account on an annual basis.

6 **V. Additional Terms of the Receivership**

7 **a. Costs**

8 All costs incurred during the Receivership shall be borne by Defendants,  
9 including all the costs for establishing and maintaining the Office of the Receiver.

10 **i. Initial Costs**

11 Because time is of the essence for implementation of the Plan, the Receiver  
12 shall, within 30 days of the effective date of appointment, submit a proposed order to the  
13 Court authorizing payment to the Receiver of the funds essential for establishing the initial  
14 operating fund for the Office of the Receiver. After the Court's approval, those funds shall  
15 be deposited in the Receiver's Office Fund Account established by Section IV(c) above.

16 **ii. Use of Contempt Funds**

17 Pursuant to agreement of Plaintiffs and Defendants, the funds assessed as  
18 a consequence of the findings of contempt during this litigation, and currently held by the  
19 Court, may be used as additional funding to support the Receiver in the execution of her  
20 duties. As of the date of this Order the available funds are estimated as approximately \$2.2  
21 million. The Receiver shall seek a Court Order for the release of funds as required to  
22 supplement the operation of the Plan.

23 **b. Access**

24 1. The Receiver and the authorized staff of the Receiver shall have unrestricted  
25 access as necessary for the Receiver to conduct a fiscal analysis and the Receiver shall  
26 have access to relevant records outside the ADCRR to accomplish this function.

27 2. The Receiver and the authorized staff of the Receiver shall have unrestricted  
28 access to all ADCRR facilities, with or without notice, as deemed necessary by the

Receiver to accomplish the Receiver's responsibilities pursuant to the Plan and this Order.

3. The Receiver shall have access to governmental records, *e.g.* records maintained by AHCCCS and all others as necessary for the Receiver to conduct a fiscal analysis and the Receiver shall have access to relevant records outside the ADCRR to accomplish this function.

**c. Ex Parte Communication**

The Receiver and the Receiver's authorized staff shall have authority, equal to that of the Monitors, to communicate *ex parte* and confidentially (without the presence of counsel) with all parties and each party's legal representatives, and with the Court and the Monitors.

**d. Subclass**

The Receiver shall not be responsible for monitoring Defendants' compliance with the provisions of the Injunction addressing relief for prisoners in isolation (paragraphs 19 through 31 of the Injunction) nor shall the Receiver exercise authority over ADCRR's custody operations related to the Subclass. Monitor Scott Frakes will continue his responsibilities regarding the Subclass and continue reporting to the Court.

**e. Governing State Laws, Regulations, and Contracts**

The Receiver shall endeavor to perform all responsibilities and duties in accordance with Arizona state laws, regulations, and contracts. If the Receiver determines compliance with state laws, regulations, or contracts will interfere with, or preclude, the Receiver from ensuring the provision of constitutional health care to class members or will otherwise inhibit the Receiver's fulfillment of the requirements of the Plan and this Order, the Receiver shall request the Court waive compliance with those laws, regulations, and contracts.<sup>4</sup> Upon receipt of any such request, the Court shall solicit input from Defendants

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<sup>4</sup> This Court's expert in 2019, and again in 2025, identified two state laws as persistent barriers to provision of constitutional health care in the Arizona state prison system: (1) The law requiring the privatization of correctional health care, and (2) the law capping specialist compensation. *See* H.B. 2010, 49th Leg., 3d Spec. Sess. (Az. 2009); Ariz. Rev. Stat. § 41-1608; Doc. 4755 at 22, 26-27 (Dr. Stern's 2025 report); Doc. 3379 at 102, 104-08 (Dr. Stern's 2019 report).

1 and Plaintiffs before rendering a decision.

2 **f. Immunity and Indemnification**

3 Defendants shall unconditionally defend and indemnify the Receiver and the  
4 Receiver's personnel, including but not limited to all personnel involved in the operation  
5 of the Office of the Receiver, in any litigation, causes of action, claims, liabilities, damages,  
6 losses, costs and expenses (including reasonable attorneys' fees and expenses), brought  
7 against the Receiver and/or the Receiver's personnel regarding activities arising out of, or  
8 conducted in the course of the Receiver's official duties and the operation of the Office of  
9 the Receiver. *See* A.R.S. § 31-201.01(F).

10 **g. Monitoring**

11 Upon appointment, the Receiver shall assume and undertake all authorities,  
12 duties, and responsibilities of ADCRR to provide health care to the class members and  
13 ensure compliance with the Permanent Injunction, including those duties of the Monitors,  
14 except as noted in paragraph V(d) above. The Receiver shall engage the assistance of the  
15 Monitors for a period of 6 months from the effective date of the Receiver's appointment.  
16 This period may be extended as the Receiver determines will be useful and is warranted.

17 **h. Length of Receivership**

18 1. The Receivership shall extend for five years. Due to the protracted history of  
19 this litigation and the substantial findings of the unconstitutional health care, this estimate  
20 may be too generous, and it shall be extended as necessary.

21 2. Any party is authorized to request the Court replace the Receiver for cause.  
22 The Court shall afford both parties the opportunity to be heard, and if the Court determines  
23 a change in the Receiver is warranted, the parties shall be authorized to recommend  
24 replacement candidates.

25 3. The Receivership was ordered by the Court as a last resort, and the Court in  
26 this Order has established the authorities of the Receiver with the utmost caution. The Court  
27 is in full alignment with the legal principle that a Receivership will not extend beyond what  
28 is essential to accomplish constitutionally adequate health care for the class. *See* 18 U.S.C.

§ 3626 (“Prospective relief shall not terminate if . . . that prospective relief remains necessary to correct a current and ongoing violation of the Federal right, extends no further than necessary to correct the violation of the Federal right, and that the prospective relief is narrowly drawn and the least intrusive means to correct the violation”); *see also WB Music Corp. v. Royce International broadcasting Corporation*, 47 F.4th 944, 953 (9th Cir. 2022) (“The decision on whether to terminate a receivership turns on the facts and circumstances of each case, including any relevant equitable considerations”) (quoting 65 Am. Jur. 2d Receivers § 94 (2022)). Prior to a proposed order terminating the Receivership, the Receiver shall prepare a recommendation, supported by facts and data, in favor of or against termination and provide it to the Court.

4. The Court genuinely welcomes the eventual return to the State of Arizona of the operational control of the health care relating to the class members, upon a finding that the unconstitutional violations have been remedied and the unconstitutional health care existing in the State of Arizona prison system has ceased. The Receiver shall work closely with Defendants and the Director of ADCRR to develop effective leadership that generates and supports a seamless transition of health care operations back to ADCRR that will sustain permanent constitutional health care to all class members.

#### **i. Modification and Review**

This Order shall be modified upon request of the Receiver, or made to the Receiver, as required for the Receiver to accomplish the responsibilities and to effectuate the eventual return to ADCRR and the State of Arizona of the health care provided to the class members. The Receiver shall have the authority to recommend modification of the Receiver’s Plan and the 2023 Permanent Injunction.

### **VI. Cooperation**

#### **a. General Requirements**

All Defendants and their employees, agents, and all persons acting under the direction Defendants, and their counsel, shall fully cooperate with the Receiver and the Receiver’s staff, including promptly responding to all Receiver inquiries and requests and

1 Court orders. The Director of ADCRR shall cooperate and collaborate with the Receiver  
2 on all matters essential to the success of the Receivership, including securing funding,  
3 clinical and administrative space, adequate training of staff and contract workers, support  
4 of the custody staff necessary for providing constitutionally adequate health care, and  
5 ensuring, upon the termination of the Receivership, that ADCRR leadership is prepared  
6 and capable of adequately assuming control of all functions required to ensure adequate  
7 health care for the class members. Any person or entity interfering with the responsibilities  
8 and authority of the Receiver or who otherwise attempts to thwart the performance of the  
9 Receiver, pursuant to the Receiver's Plan and Orders of the Court, will be subject to a  
10 finding of contempt.

11 **b. Resolution of Budget Disputes**

12 Any time the Receiver determines the available funds in the fiscal year's  
13 ADCRR budget are inadequate to accomplish the Receiver's authorities and duties, the  
14 Receiver shall first consult the Director of ADCRR before notifying the Legislature and  
15 the Governor's Office of such deficiency. If the issue is not resolved, the Receiver or the  
16 Plaintiffs or Defendants may request resolution by the Court, which may prompt the Court  
17 to order the waiver of Arizona State laws, regulations, and contracts that interfere with the  
18 requirements and desired outcome of the Receivership.

19 **c. Notice**

20 Counsel for Defendants shall ensure Arizona state agencies are given prompt  
21 notice of this Order including the Governor's Office, the Joint Legislative Budget  
22 Committee, the Department of Administration, the State Personnel Board, and any other  
23 state agencies Defendants deem should be notified. Further, Defendants shall ensure all  
24 contractors, employees, and agents (including contract employees and staff) are given  
25 prompt notice of this Order. Defendants shall file documentation of their compliance with  
26 these notice requirements within 30 days of the date of this Order.

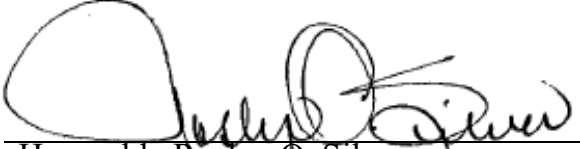
27 **IT IS ORDERED** Ms. Annette Chambers-Smith is appointed the Receiver in this  
28 case, effective 21 days following the resolution of any Motion to Stay.

1           **IT IS FURTHER ORDERED** the Receiver is authorized to and shall exercise and  
2 carry out the duties and authorities described herein.

3           **IT IS FURTHER ORDERED** if Defendants do not intend to seek a stay, they shall  
4 file such Notice within 5 days of the date of this Order.

5           Dated this 17th day of July, 2026.

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Honorable Roslyn O. Silver  
Senior United States District Judge